

GERMANS HOLD U. S. CAPTIVES AS TEST CASE

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State Department of New
Development.

AMERICANS AMONG SEA RAIDER VICTIMS

Summary of Teutonic Admiralty's Contentions Not

Yet Made Public.

REOPENS QUESTION

OF MERCHANTMEN

Berlin Now to Bring Armed'

Ship and Neutrality Issue to a Head.

BERLIN, via London, Jan. 21.—A summary of the German Admiralty's official statement on the detention of prisoners of war of neutral sailors aboard armed merchantmen captured by the German naval forces was cabled to the State Department at Washington by Ambassador Gerard last evening. This is the only information yet available regarding this development in naval procedure.

German official circles profess to regard the case as affording an opportunity for negotiations looking to the settlement between America and Germany of the status of armed merchantmen. Since the men in question are safe and the case is not complicated by the loss of human life, as might have been involved had it arisen from the destruction of armed merchantmen by submarines, optimism over an amicable adjustment is expressed here.

Since the issuing of the German memorandum on armed merchantmen earlier in the year, the difficulties have been that a ship which mounts guns, whether they be intended for defence or offence, loses its status as a private commercial craft and becomes a warship.

These authorities contend, lose their neutral status, just as if they had enlisted in the naval forces of a belligerent, and are therefore liable to the same treatment as prisoners of war, and held on board.

These grounds are set forth in the second annex to the German prize code, which states explicitly that the crews of neutral merchant ships are entitled to assistance to German naval forces shall be treated as war prisoners. Though the memorandum and the prize code take different views on the question, the problem has been held to be in abeyance.

Of late, however, the armed merchantman issue had again become pressing and the belief is growing that the Government will take advantage of the situation created by the bringing into German port of the prize ship *Yarrowdale*, with the crew held as prisoners of war, to bring the question to a head.

MAY SEND MORE NOTES.
U. S. Government Closely Watches
Action of Germany.

Gerard has cabled to the State Department a summary of the German Admiralty's official statement on the detention as war prisoners of neutral sailors aboard armed merchantmen captured by the German naval forces, and

It is believed here that the three Americans who were members of the crew of the British steamship Yarrowdale may be held in Germany pending investigation of the status of that vessel.

The State Department has made it known that this Government will insist

upon "protection of American rights," and the germ of a new crisis is already sprouting in anticipation of possible complications. There is, however, no reason to believe that anything more serious than a revival of the academic discussion over the damned merchant-

The only disturbing element is the fear that Berlin may use the prisoners as a pretext for seeking to change this Government's position with reference to "defensively armed British ships." It is of great importance for Germany's U-

boat campaign that the United States recede from its position that British vessels may be armed for defence without losing their status as peaceable merchantmen. Germany contends that British merchantmen as they are now armed should be considered as auxiliary warships.

As the United States has declined to accede to this view it has been anticipated for some time that Berlin would seek an opportunity to reopen the diplo-

The United States Government, it is explained, should have no difficulty in making a strong case from the view-

point of international law with regard to the Americans taken from the Yarrowdale. This Government passed on the peaceful merchant character of the Yarrowdale when clearance papers were given that vessel when she left New York.

This Government, therefore, regards the Yarrowdale as having qualified as a peaceful merchantman. If Germany contends that she was an auxiliary warship because she was armed and that her crew, including the Americans, were subject to capture because of "receiv-

ing pay on an armed ship," the United States Government will at once begin a series of diplomatic communications or notes aimed at registering a protest against this action.

No action has yet been taken toward demanding the release of the eight

Americans landed at Pernambuco by one of the vessels seized by the raider. The Brazilian Government is expected to obtain the release of these men under the precedent established by the United States.
